

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**UNSTARRED QUESTION NO. 684.
TO BE ANSWERED ON FRIDAY, THE 3RD DECEMBER, 2021.**

INVESTMENT BY FOREIGN COMPANIES

684. DR. KIRODI LAL MEENA:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) whether any reformative efforts have been taken by Government to attract investment by foreign companies and setting up trading units in India;
- (b) if so, the efforts made towards this and the sectors in which said efforts have been made;
- (c) whether Government is currently taking steps or proposes to take steps in this direction; and
- (d) if so, the details of possible measures for attracting foreign investment in the country?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a) & (b):** Government has put in place a liberal and transparent policy for Foreign Direct Investment (FDI), wherein most of the sectors are open to FDI under the automatic route. FDI Policy in India has been liberalized and simplified in the past few years, especially in the trading sector. 100% FDI is permitted in Single Brand Product Retail Trading (SBRT) and 51% FDI is permitted in Multi Brand Retail Trading (MBRT). Further, 100% FDI is allowed in Food Product Retail Trading to give impetus to food processing industry. Local Sourcing Conditions in SBRT have been eased with a view to provide greater flexibility and ease of operations to SBRT entities.
- (c) & (d):** The Government reviews the FDI policy on an ongoing basis and makes changes from time to time, to ensure that India remains an attractive & investor friendly destination. The intent is to remove policy bottlenecks that may be hindering investment inflows into the country. Changes are made in the policy after having intensive consultations with stakeholders including apex industry chambers, Associations, representatives of industries/groups and other organizations taking into consideration their views/comments.
